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THE MASSACHUSETTS BUDGET PROCESS

--BEGINNING TO END--

MASSACHUSETTS CAUCUS OF WOMEN LEGISLATORS

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THE MASSACHUSETTS BUDGET PROCESS

--BEGINNING TO END--

BY

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THE MASSACHUSETTS CAUCUS OF WOMEN LEGISLATORS
1984

THE STATE BUDGET PROCESS

The Budget is the state's fiscal plan and is the most important single document presented by the Governor and considered by the Legislature each year. It identifies the programs on which the state wishes to spend money.

Those involved in state government and those advocates or others with special interest, are familiar with the state's budgetary process. However, for citizens further removed from these procedures, it often becomes difficult and sometimes impossible to track matters through the maze of governmental activity that results in a budget document for the Commonwealth.

The budget contains over one-thousand "line-item" accounts, organized according to cabinet secretariats and departments. These line items are further divided into 20 subsidiary accounts - not published in the budget document per se - which provide funding for specific purposes such as employee salaries, service contracts for non-employees, heat and other plant operations, capital equipment, state aid to cities and towns, and pensions.

Enactment of a state budget begins more than 12 months prior to the start of the fiscal year which is July 1st through June 30th.

JUNE - JULY

The first stage of the budgetary process occurs within the local units of the various state agencies as they try to determine their staffing, equipment, and supply needs for the fiscal year that will start a year hence. The manager of a local office or facility estimates how much will be needed and sends a formal request to the department or agency with supervisory control. In June, the department commissioner compiles similar requests from all facilities within their purview and drafts a unified budget for these operations.

AUGUST

The preparation of agency budget requests goes forward under the direction of the Budget Bureau of the Executive Office of Administration and Finance (A & F). A & F plays a large role in developing the agency budget requests as well as the ultimate appropriation, allocation, and utilization of financial resources by all state agencies. In August of each year, the Budget Bureau issues manuals describing procedures to be followed in developing agency budget requests, various inflation factors and forms. The cabinet secretaries generally issue a letter which supplements the Budget Bureau guidelines and sets the tone or policies for the current fiscal year (prioritizing programs, expansions, or cuts).

Once the department's budget request is completed the commissioner formalizes priorities for their agency on so-called "rainbow sheets," and includes with them the raw data from which the budget request has been developed. These rainbow sheets -- informational questionaires prepared by the Budget Bureau--are completed by August. The Secretary of Administation and Finance must issue revenue estimates for the current fiscal year by **AUGUST 15TH.**

SEPTEMBER

Agency hearings are held in September. Following the hearings, commissioners forward their agency budget requests to the cabinet secretaries, the Budget Bureau, the House and Senate Committees on Ways and Means and the Legislative Committee on Post Audit and Oversight. These budget requests also are available to the public at the State House and at a location in western Massachusetts.

OCTOBER - NOVEMBER

The public is given an opportunity to voice support for or opposition to the agency budget requests at hearings held by the agency secretary in October. Although these hearings provide an early forum for special interests or others concerned with agency spending, **THEY OFTEN GO UNATTENDED BY THE PUBLIC.**

Following these hearings, the secretariats review the budget requests and make final recommendations to A & F regarding agency

spending levels. These recommendations then are reviewed by A & F which in turn negotiates with the secretariats over proposed funding levels.

DECEMBER

The Governor reviews the negotiated proposals in December and prepares final recommendations for House One, the Governor's budget recommendation.

JANUARY

The Constitution and General Laws require that the Governor submit a balanced budget to the Legislature by the **FOURTH WEDNESDAY IN JANAURY.**

FEBRUARY - MAY

Since all appropriation bills must originate in the House of Representatives, the Governor's Budget goes first to the House and is immediately referred to the Committee on Ways and Means. The 25 member Ways and Means Committee, which maintains its own budget staff, holds hearings to receive testimony from cabinet secretaries, agency heads and the public. In the recent past, these hearings have been conducted jointly by the House and Senate Ways and Means Committees.

The House Ways and Means Committee spends the next month or two reviewing the budget. House Rules require the Committee

to report out a budget to the full House by **MAY 2ND.**

The full House, after debating the House Ways and Means Committee recommendation, finalizes its version of the budget and sends it to the Senate.

JUNE

The Senate follows the same procedures as the House, i.e., the Senate Ways and Means Committee reports its version of the budget to the full Senate which debates the recommendation before adopting a final Senate version.

Because some differences commonly exist between the House and Senate versions of the budget, it is necessary for the House Speaker and Senate President to appoint a Conference Committee consisting of three House and three Senate members. The Conference Committee resolves the differences between the House and Senate versions of the budget. The Conference Committee report must be adopted or rejected by a vote of each branch. It may not be amended.

Once the Conference Committee report is accepted, the appropriation bill is enacted and goes to the Governor's desk for signature.

Under the Constitution, the Governor may veto or reduce individual line items in the submitted appropriation act. If a veto or reduction is made, the Legislature as is the case with vetoes of other bills, may override this action by a two-thirds vote in each branch.

REFERENCES

The Massachusetts Political Almanac: Almanac Research Services: (Causeway Print, Boston, Massachusetts); 1981; pp. 260-61

Senate Committee on Ways and Means Budget Recommendations; Senate No. 2222; (Commonwealth of Massachusetts); June, 1981

THE MASSACHUSETTS BUDGET PROCESS

--BEGINNING TO END--

OFFICES TO REMEMBER:

EXECUTIVE OFFICE OF ADMINISTRATION AND FINANCE

BUDGET BUREAU
STATE HOUSE, ROOM 272
BOSTON, MA 02133
(617) 727-2087

HOUSE WAYS AND MEANS COMMITTEE

STATE HOUSE, ROOM 250
BOSTON, MA 02133
(617) 722-2700

SENATE WAYS AND MEANS COMMITTEE

STATE HOUSE, ROOM 212
BOSTON, MA 02133
(617) 722-1481

MASSACHUSETTS CAUCUS OF WOMEN LEGISLATORS

STATE HOUSE, ROOM 156
BOSTON, MA 02133
(617) 722-2266

THE MASSACHUSETTS BUDGET --BEGINNING TO END--

JUNE-JULY	AUGUST	SEPTEMBER	OCTOBER	NOVMEBER	DECEMBER
*LOCAL UNITS IN STATE AGENCIES DEVELOP BUDGET NEEDS	*BUDGET BUREAU ISSUES REVENUE ESTIMATES	*AGENCY HEARINGS ARE HELD	*PUBLIC HEARINGS ARE HELD BY SECRE-TARIES	*BUDGET BUREAU NEGOTIATES REQUESTS WITH SECRE-TARIES	*GOVERNOR REVIEWS NEGOTIATED PROPOSALS
*EACH COMMIS-SIONER DRAFTS A UNIFIED BUDGET FOR THEIR DEPART-MENT	*BUDGET BUREAU ISSUES BUDGET PREPARA-TION GUIDE-LINES TO AGENCIES	*BUDGET REQUESTS ARE MADE AVAILABLE	*SECRETARIES FINALIZE THEIR REQUEST AND SUB-MIT THEM TO THE BUDGET BUREAU		
	*CABINET SECRE-TARIES ISSUE TONE SETT-ING LETTERS TO DEPART-MENTS				
	*RAINBOW SHEETS SUBMITTED TO BUDGET BUREAU				

JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
*GOVERNOR'S BUDGET, HOUSE ONE, FILED WITH THE LEGIS-LATURE	*HOUSE AND SENATE WAYS AND MEANS CONDUCT AGENCY AND PUBLIC HEARINGS			*HOUSE DEBATES AND FINALIZES BUDGET RECOM-MENDATION; SENDS TO SENATE	
	*HOUSE WAYS AND MEANS SUBMITS BUDGET RECOMMENDATION TO HOUSE			*SENATE WAYS AND MEANS ISSUE BUDGET RECOMMENDA-TION TO SENATE	
				*SENATE DEBATES AND FINALIZES BUDGET RECOMMENDATION	
				*CONFERENCE COMMITTEE APPOINTED	
				*CONFERENCE COMMITTEE RECOMMENDATION ADOPTED BY HOUSE AND SENATE	
				*FINAL RECOMMENDATION SENT TO GOVERNOR FOR SIGNATURE	

The Commonwealth of Massachusetts

MASSACHUSETTS CAUCUS OF WOMEN LEGISLATORS

ROOM 156, STATE HOUSE
BOSTON, MA 02133
TELEPHONE 722-2266

HISTORY-BUDGET PRIORITIES
(1984)

Item No.	Account	FY '80	FY '81	FY '82	FY '83	FY '84	FY '85
0185-7823	Comparable Worth Study	-	-	-	-	$75,000	$100,000; PAC
1100-1172	Child Care Resource and Referrals	-	-	-	-	-	$300,000
4130-0001	Office for Children-Director					$639,038	$700,902
4130-0010	Office for Children-Licensing					$1,533,640	$1,848,892
4130-0015	Office for Children-Advocacy					$3,218,419	$3,489,186
		$5,577,543	$5,751,736	$5,056,680	$4,804,383	$5,391,097	$6,038,980
4130-2072	Office for Children-Quality Program	-	-	-	-	$108,420	$86,183
4400-1009	Department of Public Welfare Voucher Day Care	-	-	-	$1,967,750 (4800-0060)	$3,926,273	$8,808,574
4403-2000	Aids to Families with Dependant Children	$475,000,000	$532,452,861	$514,000,000 •$50 Clothing Allowance	$452,300,000 •$75 Clothing Allowance •5% Increase Standard of Need	$388,250,585 •$125 Clothing Allowance •5% Increase Standard of Need	$346,302,516 •$125 Clothing Allowance •5% Increase Standard of Need •4% COLA •Maintenance for Families whose Children are temporarily out of the home •$2.6 million Savings from Title IVB, Child Care- •Supplemental Payments- Sudden Loss of Income

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4403-2003	AFDC - Rental Assistance	-	-	-	-	-	$7,600,000
4407-1000	Work and Training	-	-	$5,411,172	$7,650,000	$9,770,683	$3,119,811 *$6M- Supported Work, #4100-0300
4407-9001	Work Incentive Demonstration Program	-	-	-	$7,650,100	$8,350,000	$10,710,784
4513-1000	Diethystilbestrol (DES) Program	-	Language	Language	$90,000	$90,000	$94,000
4513-1000	Rape Prevention	-	-	-	-	$100,000	$330,000
4513-1002	Women, Infants, and Children (WIC)	-	-	-	-	-	$3,668,600
4800-0010	Battered Women	$500,000	$750,000	$1,000,000	$1,775,000	$2,531,112	$3,086,735
4800-0023	Child Sexual Abuse Treatment	-	-	-	-	-	$1,000,000
4800-0060	Day Care	$36,670,000	$43,000,000	$43,000,000	$35,107,769	$43,980,642	$53,857,175
8200-0200	Rape Victimology Curriculum	-	-	-	-	-	$9,000
9000-0300	Displaced Homemakers	$19,000	$75,000	$67,500	$325,000	$550,000	$641,666 *$300,000 #1407-9001
9001-0516	State Office of Minority Business Assistance (SOMBA)	$68,708	$81,086	$82,450	$99,888	$171,546	$300,000

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